



# Committee On Finance

Max Baucus, Ranking Member

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## NEWS RELEASE

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## AS WINTER CLOSES IN, BAUCUS MOVES TO FULLY FUND LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

*“HEAT” Assistance Act would appropriate nearly \$3 billion more to keep American families warm; current Labor-HHS appropriations provide less than half amount authorized this year*

**Washington, DC** – U.S. Senator Max Baucus (D-Mont.), Ranking Member on the Senate Finance Committee, today introduced legislation to provide immediate additional assistance to American families facing skyrocketing home heating costs this winter. The Household Energy and Taxpayer Assistance Act of 2005, to be known as the HEAT Assistance Act, appropriates an additional \$2.9 billion to fully fund the Low Income Energy Assistance Program at its authorized level. The legislation also creates a tax credit of up to \$300 per family to offset home heating bills.

**“Too many Americans are being left in the cold – literally – by a lack of funding for home heating assistance. Congress has authorized more spending for LIHEAP, but that doesn’t do any good unless the money is appropriated and put on the ground,”** said Baucus. **“This legislation can get more home heating funds to more Americans right away, and it will also assure taxpayers of a rebate on their heating costs when spring comes around. But time is of the essence. It will be a long, cold holiday season for a lot of folks if Congress doesn’t move the HEAT Assistance Act now.”**

Earlier this year, Congress authorized \$5.1 billion dollars for the LIHEAP program in recognition that demand for home heating assistance was consistently outstripping supply. However, Labor-HHS appropriations conference legislation for FY2006 passed by the House of Representatives this week appropriates less than half that amount, \$2.2 billion, in actual funds. This significant shortfall comes at a time when the Energy Information Administration estimates that American families will pay anywhere from \$46 more to \$281 dollars more for home heating this winter, depending on the fuel source they use. The greatest increases will be seen in homes using natural gas or home heating oil.

In addition to funding LIHEAP up to authorized levels, the Baucus bill establishes a temporary tax credit to help all taxpayers to defray a portion of their heating bills this winter. Families will get 20 percent of their expenses for heating fuel or utility costs back on their taxes, up to \$200 for an individual or \$300 for a family. The credit is also refundable, so that low-income Americans who don’t owe any Federal income taxes would still receive a rebate. Baucus is urging consideration of the HEAT Assistance Act before Congress adjourns for 2005.

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